



# NEWS RELEASE

CALIFORNIA STATE TREASURER PHIL ANGELIDES

FOR IMMEDIATE RELEASE  
July 27, 2004

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## **CALIFORNIA TREASURER ANGELIDES COMMENTS ON GOVERNOR SCHWARZENEGGER'S BUDGET AGREEMENT**

*Angelides Calls Governor Schwarzenegger's Spending Plan an Unbalanced, Unfair  
Budget Built on Broken Promises that Fails to Balance the Budget or Protect State's  
Critical Investments*

SACRAMENTO, CA – California State Treasurer Phil Angelides had the following comments in response to Governor Schwarzenegger's announcement today of a budget agreement:

"Governor Schwarzenegger's spending plan is a budget built on broken promises, one that breaks his promise of adopting a balanced budget that fairly protects critical investments in education and health care.

"Governor Schwarzenegger's budget is a fiscally irresponsible plan that fails to move the state's finances one inch closer to structural balance. The Governor's budget means continued, massive deficit spending – to the tune of \$7.5 billion in new borrowing – that will leave us with an estimated \$10 billion annual deficit within two years, the same size budget hole as when he took office. This from a man who only months ago "tore up the State's credit card" and promised Californians to end the State's "crazy deficit spending." deficit spending. Well, either he's been reissued a new credit card or he's the victim of the worst case of identify theft in the state's history.

"What's more, the Governor's budget fails the test of fairness. While college and university students will be forced to pay higher fees and thousands of young people have been effectively shut out of UC and CSU campuses, and while California's working poor will be forced to pay higher premiums for their health insurance, the wealthiest Californians will not even be asked to pay the same income taxes put in place by former Republican Governors Reagan and Wilson.

"In the end, Governor Schwarzenegger squandered an unprecedented opportunity to convert his political capital into the hard choices that would better the lives of Californians in the long run. In no instance, in not one respect, did he seize the opportunity to make the fundamental fiscal reforms to restore our State's financial wellbeing – whether it was the important matter of local government funding or prison operations.

“The fight for a structurally balanced budget is far from over. This year, we were able to repel some of the Governor’s worst proposals regarding higher education and children’s health care. And next year, I will continue to fight to end California’s fiscal crisis, and help shape a budget that is balanced, that is fair and that invests in the future. I look forward to the day when we can debate how to build California’s future, without being consumed about how to eliminate our deficit and pay our debts.”

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